

RESOLUTION No. 542-21

A RESOLUTION APPROVING A CONTRACT WITH VALLEY CREDIT SERVICES INC. FOR COLLECTION SERVICES FOR CITY DELINQUENT ACCOUNTS

WHEREAS, Resolution No. 375-15 signed on January 13, 2015 authorizes the City Manager to sign contracts with prior approval from the Donald City Council; and

WHEREAS, the City on occasion has uncollected municipal court fees and fines as well as water and sewer accounts that can cause undue hardship on the City's finances; and

WHEREAS, Valley Credit Services is located in Salem, Oregon and has been in business since 1936 and with capable staffing to handle the City of Donald's increased business; and

WHEREAS, ORS 174.109 sets forth the definition of a public body, which the City of Donald is defined as, and

WHEREAS, ORS 697.105 and ORS 697.115 sets forth the guidelines for public bodies when acting as creditors for notification to their debtors; and

WHEREAS, House Bill 2055 allows the collection agency to add commission rate(s) to delinquent accounts to cover their costs which eliminates any extra costs to the City of Donald for collection services: and

WHEREAS, the parties have negotiated the terms of the agreement and desire to enter into said agreement, which is attached hereto as Exhibit A.

NOW, THEREFORE, THE CITY OF DONALD RESOLVES AS FOLLOWS:

Section 1. The Donald City Council approves the contract with Valley Credit Services, which is attached hereto and by this reference incorporated herein as Exhibit A.

PASSED and ADOPTED by the City Council of the City of Donald at their regular meeting on this 14th day of September 2021 by the vote of 6 ayes and 0 nays.

DATE: September 14, 2021


Rick Olmsted, Mayor

ATTEST by City Manager this 14th day of September, 2021


Heidi Bell, City Manager



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P.O. Box 2046
Salem, Oregon 97308-2406
(503) 585.5651
TOLL FREE 1-800-452-0317
FAX (503) 371-2635
www.valley-creditservice.com
vcs@valley-creditservice.com

HB2055--AGREEMENT

DIRECT ASSIGNMENT

I/We agree to pay a commission rate of 25% that will be added to the principal amount collected on our behalf. In the event an account is forwarded to an American Collectors Association member agency the fee will increase to 40%. Assignee to have full power to sue for said claim, forward to other bonded collectors, endorse all remittances, and retain all interest collected or earned in trust account deposit. Any of the accounts listed may be withdrawn at any time after twelve (12) months from date assigned upon thirty (30) days written notice listing the accounts to be withdrawn provided no payment is made or arranged; suit commenced or the account forwarded to any associate collector. You are authorized to add interest at the legal rate of 9% from date of last charge in accordance with ORS 82.010. As to any account withdrawn prior to twelve (12) months, assignor agrees to reimburse assignee for expenses then expended on said account, but in no event shall expenses exceed one half of the amount of the account.

It is further agreed that from this date, payment received by me/us, either as a direct payment or from any source whatever, assignee shall be entitled to full commission on the payments. If this claim is a covered transaction, we have complied with the Federal Truth in Lending Act and the State Fair Debt Collection Practices Act regarding this account, if it applies. I/We further agree to notify you promptly of any payment made direct to us. This agreement applies to all future assigned accounts.

If creditor is a "public body" as defined by ORS 174.109, or a state agency, creditor affirms that notices to debtors were sent according to the guidelines in ORS ...697.105 and 697.115.

CREDITOR: City of Donald DATE: _____

ADDRESS: PO Box 388 PHONE: 503-678-5543

Donald, OR 97020 FAX: _____

BY: _____ Print Name: _____

ACCEPTED BY VALLEY CREDIT SERVICE, INC.:

Alice M. Ray-Graham, Client Services Manager

DATE: _____